

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 22-

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARA
VALLEY WATER DISTRICT PUBLIC FACILITIES FINANCING CORPORATION
AUTHORIZING THE EXECUTION AND DELIVERY OF WIFIA MASTER AGREEMENT, WIFIA
LOAN AGREEMENTS, WIFIA TERM SHEETS AND WIFIA INSTALLMENT PURCHASE
AGREEMENTS WITH RESPECT TO THE WATER UTILITY AND AUTHORIZING CERTAIN
ACTIONS IN CONNECTION THEREWITH**

WHEREAS, the Santa Clara Valley Water District Public Facilities Financing Corporation is a nonprofit public benefit corporation organized and existing under the laws of the State of California (the "Corporation") with the authority to assist in the planning, design, acquisition and/or construction of capital improvements and to assist in the reimbursement of certain costs previously expended on the acquisition and/or construction of capital improvements on behalf of the Santa Clara Valley Water District ("Valley Water"); and

WHEREAS, Valley Water has determined that it would be in the best interests of Valley Water and citizens of the community to authorize the entry into one or more installment purchase agreements with the Corporation (each such installment purchase agreement a "Water Utility WIFIA Installment Purchase Agreement") to plan, design, acquire and/or construct certain water utility system capital improvements (as more particularly described in the Water Utility WIFIA Master Agreement referred to below, the "Water Utility WIFIA Project"); and

WHEREAS, in order to fulfill its obligation to Valley Water under the Water Utility WIFIA Installment Purchase Agreements, the Corporation proposes to obtain one or more loans under the authority of the Water Infrastructure Finance and Innovation Act (each a "Water Utility WIFIA Loan") from the United States Environmental Protection Agency (the "WIFIA Lender"), pursuant to a master agreement among the Corporation, the WIFIA Lender and Valley Water (the "Water Utility WIFIA Master Agreement") and one or more loan agreements (each a "Water Utility WIFIA Loan Agreement") among the Corporation, the WIFIA Lender and Valley Water; and

WHEREAS, the terms of the initial Water Utility WIFIA Loan (the "2022 Water Utility WIFIA Loan") are set forth in a term sheet (the "2022 Water Utility WIFIA Term Sheet") and an initial Water Utility WIFIA Loan Agreement (the "2022 Water Utility WIFIA Loan Agreement"); and

WHEREAS, Valley Water has completed its environmental review for and approved some of the projects to be funded by a WIFIA loan in accordance with the California Environmental Quality Act ("CEQA"); and

WHEREAS, as to those other WIFIA-funded projects for which Valley Water has not yet completed its CEQA review or approved, adoption of this Resolution to authorize execution of the above-mentioned agreements and documents and implementation of actions necessary to accomplish the intention of this Resolution do not commit Valley Water to a definite course of action with regard to any particular project and do not limit Valley Water in exercising any discretion following CEQA review of the project, including (i) considering other feasible alternatives and mitigation measures to avoid or minimize project impacts, (ii) making modifications deemed necessary to reduce project impacts, or (iii) determining not to proceed with one or more component of a project.

NOW, THEREFORE, the Board of Directors of the Santa Clara Valley Water District Public Facilities Financing Corporation does hereby resolve as follows:

Section 1. Water Utility WIFIA Master Agreement, 2022 Water Utility WIFIA Note, 2022 Water Utility WIFIA Loan Agreement and 2022 Water Utility WIFIA Term Sheet. The Water Utility WIFIA Master Agreement, the WIFIA Note attached to the Water Utility WIFIA Master Agreement (the “2022 Water Utility WIFIA Note”), the 2022 Water Utility WIFIA Loan Agreement and the 2022 Water Utility WIFIA Term Sheet, in each instance with respect to the portion of the Water Utility WIFIA Project described in the 2022 Water Utility WIFIA Installment Purchase Agreement, are on file with the Corporation. Such documents are hereby accepted and approved, subject to such changes, insertions and omissions as may be approved by any of the President, the Vice President, the Chief Executive Officer/General Manager or the Chief Financial Officer (or any acting or interim of such positions) and the Secretary (each an “Authorized Officer” and together the “Authorized Officers”) who are hereby individually authorized and directed to execute and deliver the Water Utility WIFIA Master Agreement, the 2022 Water Utility WIFIA Note, the 2022 Water Utility WIFIA Loan Agreement and the 2022 Water Utility WIFIA Term Sheet, said execution being conclusive evidence of such approval.

Section 2. Water Utility WIFIA Installment Purchase Agreements. An initial Water Utility WIFIA Installment Purchase Agreement with respect to the 2022 Water Utility WIFIA Loan Agreement (the “2022 Water Utility WIFIA Installment Purchase Agreement”) is on file with the Corporation. Such document is hereby accepted and approved, subject to such changes, insertions and omissions as may be approved by any of the Authorized Officers who are hereby individually authorized and directed to execute and deliver the 2022 Water Utility WIFIA Installment Purchase Agreement, said execution being conclusive evidence of such approval.

Section 3. Good Faith Estimate of Certain Costs. The Board acknowledges that the good faith estimates of certain costs required by Section 5852.1 of the California Government Code with respect to the Water Utility WIFIA Loan Agreements (and related documents) are disclosed in the staff report and are available to the public at the meeting at which this Resolution is approved.

Section 4. Additional Water Utility WIFIA Installment Purchase Agreements, Water Utility WIFIA Loan Agreements and Water Utility WIFIA Term Sheets. Each Authorized Officer is hereby authorized to execute future Water Utility WIFIA Loan Agreements, WIFIA Notes in the form attached to the Water Utility WIFIA Master Agreement, Water Utility WIFIA Term Sheets and Water Utility WIFIA Installment Purchase Agreements in accordance with the Water Utility WIFIA Master Agreement (including any amendments or supplements to the Water Utility WIFIA Master Agreement and documents and certifications necessary or advisable to effectuate Water Utility WIFIA Loans under such agreements) so long as the total principal amount of all Water Utility WIFIA Loans does not exceed \$2,500,000,000.

Section 5. Other Actions. The Authorized Officers, District Counsel and Bond Counsel and such other officers and staff of the Corporation are authorized and directed, acting singly, to do any and all things and to execute, deliver and implement any and all documents which such officers may deem necessary or advisable in order to consummate the execution and delivery of the Water Utility WIFIA Master Agreement, the 2022 Water Utility WIFIA Note, the 2022 Water

Utility WIFIA Installment Purchase Agreement, the 2022 Water Utility WIFIA Loan Agreement and the 2022 Water Utility WIFIA Term Sheet (collectively, the "Initial Water Utility WIFIA Documents"), and otherwise effectuate the purposes of this Resolution and the Initial Water Utility WIFIA Documents, and such actions in connection therewith previously taken by such officers and staff are hereby ratified and confirmed.

The Authorized Officers, District Counsel and Bond Counsel and such other officers and staff of the Corporation are authorized and directed, acting singly, to do any and all things and to execute, deliver and implement any and all documents which such officers may deem necessary or advisable in order to consummate the execution and delivery of future Water Utility WIFIA Loan Agreements, WIFIA Notes in the form attached to the Water Utility WIFIA Master Agreement, Water Utility WIFIA Term Sheets and Water Utility Installment Purchase Agreements, and otherwise effectuate the purposes of this Resolution, and such actions in connection therewith previously taken by such officers and staff are hereby ratified and confirmed.

Section 6. Definitions. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given to such terms in the Water Utility WIFIA Master Agreement, unless the context otherwise clearly requires.

Section 7. Effect. This Resolution shall take effect immediately.

ADOPTED, SIGNED AND APPROVED this th day of December, 2022.

STEVE M. MULLEN
President of Santa Clara Valley Water District
Public Facilities Financing Corporation

(SEAL)

ATTEST:

Michele L. King, CMC,
Secretary of Santa Clara Valley Water District
Public Facilities Financing Corporation

STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA CLARA)

Resolution of the Board of Directors of the Santa Clara Valley Water District Public Facilities Financing Corporation Authorizing the Execution and Delivery of WIFIA Master Agreement, WIFIA Loan Agreements, WIFIA Term Sheets and WIFIA Installment Purchase Agreements with Respect to the Water Utility and Authorizing Certain Actions in Connection Therewith
Resolution No. 22-

I, Michele L. King, CMC, Secretary of the Santa Clara Valley Water District Public Facilities Financing Corporation, do hereby certify that the foregoing resolution was duly adopted by the Board of Directors of said Corporation at a special meeting held on the th day of December, 2022, and that it was so adopted by the following vote:

AYES: DIRECTORS

NOES: DIRECTORS

ABSENT: DIRECTORS

ABSTAIN: DIRECTORS

Secretary of Santa Clara Valley Water District
Public Facilities Financing Corporation

(SEAL)